AN ACT CONCERNING STUDENT LOANS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. (NEW) (Effective July 1, 2022) (a) The Connecticut Higher Education Supplemental Loan Authority shall establish, subject to available funding pursuant to section 2 of this act, a Hero Loan Subsidy Program for the purpose of subsidizing interest rates on authority loans, to health care employees, licensed pursuant to chapters 378 and 378a of the general statutes, social workers, licensed pursuant to chapter 383b of the general statutes, police officers, as defined in section 7-294a of the general statutes, and firefighters, as defined in section 7-313g of the general statutes, who meet the eligibility criteria established by the authority and the Commissioner of Education.

(b) The authority shall enter into a memorandum of agreement with the Commissioner of Education to establish the eligibility criteria and administrative guidelines for the Hero Loan Subsidy Program. Such eligibility criteria and guidelines shall include, but need not be limited to, (1) applicant eligibility, (2) interest rate subsidies and principal limits on authority loans offered under the program, (3) the process for
verifying the employment of applicants, and (4) the requirement that an
interest rate subsidy through the program shall terminate for any
subsidy recipient who ceases to meet the requirements of such program
during the term of such recipient's loan from the authority.

Sec. 2. (NEW) (Effective July 1, 2022) The Connecticut Higher
Education Supplemental Loan Authority shall maintain a separate,
nonlapsing account to hold funds for the Hero Loan Subsidy Program,
established pursuant to section 1 of this act. The account shall contain
any moneys required by law to be deposited in the account, including,
but not limited to, any state appropriation or the proceeds from the sale
of bonds issued for the purpose of section 1 of this act. Moneys in the
account shall be used (1) for the purposes of the Hero Loan Subsidy
Program and for reasonable and necessary expenses for the
administration of said program, (2) for the issuance of authority loans
to refinance one or more eligible loans, and (3) to maintain a reserve held
by the authority to cover any losses incurred by the authority from the
issuance of such authority loans. For the purposes of this section,
"authority loans" and "eligible loans" have the same meanings as
provided in section 10a-223 of the general statutes.

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**Statement of Purpose:**
To establish certain student loan subsidies.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]